

Medicaid Premiums - Sponsorship Questions and Answers
December 8, 2003

1. Will ACES and the FSA system have a field that records the sponsor?

In order to assign an agency as an authorized representative (AREP), the information has to be input into the ACES system.

2. Is the ACES AREP sponsor field different from the AREP field used for advocates or other agencies that are not sponsors?

No, we will use the ACES AREP screen and specific coding that designates the type of AREP.

Note: The advocate group working with MAA on the issue of sponsorship asked that the sponsor receive client letters, eligibility reviews, and premium billing. MAA will honor this request. The department will send sponsors copies of all letters, including letters advising clients of premium increases or decreases. Sponsors may want to monitor changes in the premium amount to ensure accurate payments. MAA is working on a long-term solution to allow clients a choice of:

- i. Case management services with premium sponsorship; or
- ii. Premium sponsorship only.

Upon implementation of this long-term solution, a client may choose premium sponsorship only. For those clients, the department will send the sponsor only the premium bill.

3. Will a client need to sign a DSHS form before the sponsor can be identified in ACES?

Yes, MAA has developed a form. The form will enable a client to consent to sponsorship and will authorize the sponsor to call about their account. It will also advise the client that, by selecting sponsorship, the sponsor will receive the premium bill, copies of letters and eligibility reviews.

4. What identifiers should sponsors use when developing databases to track sponsored children?

We recommend that sponsors use the common eight digit number already sent to providers as the DSHS#, the Head of Household name, and the total premium amount.

5. What information does FSA require on a payment ledger that accompanies our check?

FSA will initially require sponsors to return each individual premium invoice or bill. Sponsors may send one check to cover all premiums; but to facilitate the crediting of individual accounts, the invoice "tear off" must be returned as well. Sponsors must ensure the amount of the check and the amount on the invoices match exactly. Neither MAA nor FSA can determine which children will not have their premium paid if the check is short. If this situation occurs, FSA will return the check and the invoices to the sponsor.

6. Can a sponsor pay more than one month at a time?

We prefer that you do not. We are concerned that many children's eligibility and/or premium amount can change monthly. We do not want to have to reconcile more cases than necessary.

7. Can MAA/FSA "invoice" the sponsor?

The individual billings are sent to the sponsor. FSA is working towards a long-term solution to simplify invoicing for sponsors.

8. Will a sponsored client receive premium invoices?

No. The system supports one address for billing. We will send the premium bill either to the sponsor or the household, not both. This will also help prevent sponsored clients from paying a premium themselves.

9. When a sponsor decides they will no longer sponsor a specific child or family, what does the sponsor have to do?

The sponsor **MUST** notify both the CSO and the client that they will no longer sponsor premiums.

10. When does the sponsor's liability for the premium end?

MAA recommends that sponsors notify both the client and the CSO by the first of the month that the sponsor will not pay the premium effective the following month. The sponsor must ensure any premium invoice is forwarded to the client without delay until the CSO is able to remove the sponsor code from the AREP screen.

11. May a sponsor fund a block of clients?

The sponsor cannot send funds unless they are designated for specific children and accompanied by the tear-off invoices.